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ATTACHMENT 4.32-A
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STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State: IDAHO

INCOME AND ELIGIBILITY VERIFICATION SYSTEM PROCEDURES
REQUESTS TO OTHER STATE AGENCIES

See Attached Plan of Operation

TN No. _____
Supersedes
TN No. _____

Approval Date _____

Effective Date _____

HCFA ID: 0123P/0002P

STATE PLAN OF OPERATION
FOR INCOME AND ELIGIBILITY VERIFICATION SYSTEM (IEVS)

This State plan of operation for Income and Eligibility Verification System (IEVS) identifies our current compliance status and contains a waiver request to defer until October 1, 1986, implementation of those items which will not be in full effect by May 29, 1986.

I. NOTIFICATION TO APPLICANTS AND RECIPIENTS

Applicants are informed in writing at the time of application that the Department will obtain and use information available to it through computer matches with other agencies including IRS, SWICA, and SSA. The same information will be provided in writing to recipients at each redetermination no later than the first redetermination after September 1986. The current form used for redeterminations/recertifications, form HW 0908 "Redetermination/Recertification of Eligibility," does not contain the required notice. Future stocks will be printed with the notice and used no later than October 1986. See Attachment 1, HW 0900, Application for Food Stamps, Aid to Families with Dependent Children, Medical Assistance, and/or Aid to the Aged, Blind, and Disabled, Page 2.

II. SAFEGUARDING

Information obtained through IEVS is safeguarded according to the standards contained in Title 5, Chapter 1, "Rules Governing the Protection and Disclosure of the Department Records," Rules and Regulations of the Department of Health and Welfare. These rules are enclosed as Attachment 2.

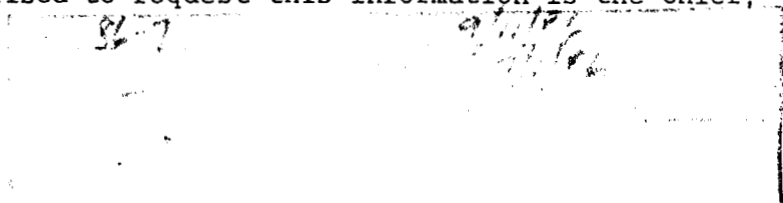
III. AGREEMENTS

The Department has agreements in effect with the Idaho Department of Employment, which is the State Wage Information Collection Agency (SWICA), for Wage File and Unemployment Insurance Benefits (UIB); with the Social Security Administration (SSA) for BENDEX and SDX; and with the Internal Revenue Service (IRS) for unearned income. The Department has requested the BENDEX Earnings Record Agreement from SSA. See Attachment 3. The Department plans to execute the agreement as soon as reasonably possible after receipt. The Department has been advised by SSA, Region X, that the BENDEX Earnings Record Agreement is being revised so an unavoidable delay in executing the agreement is likely. See Attachment 4 for agreements currently in effect.

IV. MATCHES

A. SWICA for Wage File/UIB

The Department currently matches with the SWICA. The Department official authorized to request this information is the Chief,



Bureau of Computer Services. The match is made monthly to create the Wage File and UIB file. This is accomplished by merging the Eligibility master file containing SSNs of all Food Stamp, AFDC, and Medicaid benefit recipients and nonrecipient benefit-related household members with the Department's MMIS and CSES master files. The merged tape is sent to the SWICA, which matches against its employee records and sends the Department a tape with all matches. New applicants and nonrecipient benefit-related household members are accreted the month following the month they are added to the Department's Eligibility master file. This procedure meets IEVS requirements for Wage File but is not in compliance with UIB requirements with respect to the frequency with which information is received on applicants. The Department will be in compliance with UIB requirements for applicants as of October 1, 1986, when the UIB match will be accomplished weekly under the Department's new Eligibility Programs Integrated Computer System (EPICS). With EPICS implementation in the immediate future, it would neither be cost effective nor efficient to make the revisions required to the existing computer system to access UIB more frequently. Also, the Department has direct access to the UIB file as updated daily by the SWICA through a telecopy response system described in Attachment 5, Circular Letters 85-09 (Revised), 85-49, and 85-57.

B. SSA for BENDEX, SDX, BENDEX Earnings Record

1. BENDEX. The Department matches with SSA for BENDEX. The Department official authorized to request this information is the Chief, Bureau of Computer Services. The Department sends SSA a monthly tape of SSNs of all individuals on its Eligibility master file including new individuals accreted to the file since the most recent monthly match. SSA matches against its Master Beneficiary Record (MBR) and sends the Department a tape with SSNs of matching individuals which the Department compares to the Eligibility master file, issuing a list of matching individuals to field staff monthly.
2. SDX. The Department matches with SSA for SDX. The Department official authorized to receive this information is the Chief, Bureau of Computer Services. The Department receives a monthly SDX tape with weekly updates. The monthly tape is matched against the SSNs on the Eligibility master file and processed to produce a listing of matching cases. The weekly SDX tapes are processed and added to the file. Output from these weekly updates is incorporated in the next monthly listing of matching cases.
3. BENDEX Earnings Record. The Department has made a request to enter into a BENDEX Earnings Record Agreement to obtain information on self-employment income of individuals on the Department's Eligibility master file. The process of

obtaining the matching information on recipients and accreting applicants will be as described for the BENDEX match in IV.B.1 above. The BENDEX Earnings Record will be merged with the BENDEX as received and the BENDEX report modified to include the self-employment and wage element derived from the BENDEX Earnings Record. See Attachment 3 for letter from Director, Idaho Department of Health and Welfare, to the Acting Regional Commissioner, SSA, Region X, requesting the Agreement.

When the BENDEX Earnings Record Agreement is received by the Department, the agreement will be negotiated and signed within a reasonable period of time.

The Department official authorized to receive information from the BENDEX Earnings Records is the Chief, Bureau of Computer Services. The Department expects to be in compliance with IEVS self-employment and wage income matching requirements by October 1, 1986.

C. IRS

The Department will request unearned income information from the Department of the Treasury, Internal Revenue Service. The Department official authorized to request this information is the Administrator, Division of Management Services.

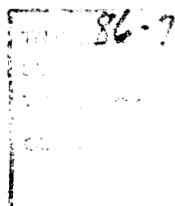
The Department will be in compliance with IEVS requirements for obtaining unearned income information from IRS by October 1, 1986. At that time, the Department's EPICS will be in operation. Implementation of IRS matching prior to October 1 is not cost-effective or efficient in consideration of the major revisions which would be required to the existing computer system to accommodate the match and implementation of EPICS in the immediate future.

The Department will submit the first Eligibility master file tape of SSNs to IRS for matching in October 1986. Monthly submissions to obtain unearned income information for new applicants will be requested beginning October 1986 according to the tape submission schedule specified in the Department's agreement with IRS. (See Attachment 4B.) In addition to monthly updates, a tape of the entire Eligibility master file will be submitted once each year for matching with IRS unearned income records.

V. USE AND VERIFICATION REQUIREMENTS

A. Use of IEVS Information

Information received through IEVS will be printed out and distributed to Eligibility field staff for review and comparison against the case file to determine its effect on an applicant's



or recipient's eligibility or benefit amount. Information received after the application period (30 days for Food Stamps; 45 days for AFDC, the aged and blind, and Medicaid for the aged, blind, and families with dependent children; and up to 60 days for Medicaid for the disabled) will be evaluated as provided below for recipients.

Recipient information items will be evaluated within 30 days except where requested third-party verification is not received until after the 30 days has passed. The outcome of the Department's evaluation of the information will be documented in the case file if no adverse action is required or by a notice of adverse action if the verified information results in an adverse effect (denial, suspense, reduction, termination). For those cases where third-party verification is delayed beyond 30 days, delayed determination will be made as soon as verification is received but no later than the next redetermination/recertification. Timeliness of use of IEVS information will be monitored by Quality Control review, local case file review, and the Department's on-site management review process.

Erroneous payments detected through IEVS information will be corrected and benefits restored or a claim established as appropriate.

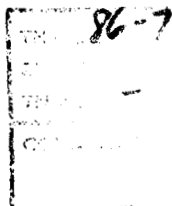
B. Verification

The IEVS information considered verified on receipt is that information received from SSA on Social Security and SSI benefits; AFDC, Food Stamp, Medicaid benefit information, and UIB benefit information. Additional verification will be accomplished for these information items if questionable or otherwise deemed appropriate.

IEVS information requiring independent verification is unearned income information from IRS, wage information from SSA and SWICA, and questionable IEVS information which, if not questionable, would be considered verified on receipt.

Independent verification is accomplished by attempting to obtain information by contacting the household, the applicant or recipient, and/or the appropriate source of the benefit, income, or resource. Verification will relate to the amount of the benefit, income, or resource, the applicant/recipient's access if any to that source for his own use, and the period of time the individual actually had the benefit, income, or resource.

If the applicant or recipient is contacted, the Department will do so through a written request, informing the applicant or recipient of the information received and giving him 10 days to respond. If the applicant or recipient fails to respond, the Department will send a timely and adequate notice of adverse



action. Appropriate third-party sources will be contacted as befits the situation. The applicant or recipient will be sent adequate and timely notice of any action to reduce, suspend, terminate, or deny benefits including the right to appeal the Department's action.

The Department's Eligibility field staff will receive instructions in the use and verification of IEVS information by May 29. See Attachment 6, Circular Letter 86-41.

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